WRITTEN STATEMENT

of

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Mr. Chairman:

It's an honor for me to testify here today. I'd like to begin by thanking Senator Cleland, Governor Barnes, Secretary Slater and others here today for their strong and effective support of Amtrak and passenger rail. Their advocacy has been instrumental in building support for the High Speed Rail Investment Act, and I deeply appreciate their efforts.

I also want to congratulate the Members of this Subcommittee for stepping outside the beltway and holding this hearing in what I think of as the "real" America. Georgia epitomizes the potential role that high-speed rail and commuter rail can play in addressing regional transportation gridlock. Few cities in America face the huge transportation challenges that confront Atlanta every day: the busiest airport in the world; serious air quality concerns; gridlock on the highways; and the need to enhance access to the city in order to maintain economic growth.

Atlanta lies at the heart of Amtrak's vision for high-speed rail along the Atlantic Coast. As the region's leading business and transportation center, Atlanta is bound to become as important a rail passenger hub as Washington and New York are today. Atlanta is the key to the ability of the Southeast High Speed Rail Corridor to successfully connect the vibrant Northeast Corridor to the Gulf Coast and Texas -- providing fast, reliable service to Birmingham, Greenville, and Charlotte, as well as to Macon, Jacksonville, and Florida's future high-speed rail network. Our vision is a string of pearls – the major business centers of the southeast – tied together with an integrated fleet of 110 mph tilting trains that provide business and discretionary travelers with productive, comfortable, stress-free rides.

The challenge that Georgia, Amtrak, and our freight railroad partners all face is twofold. We need to upgrade the region's rail lines to accommodate *both* the significant increase in high-speed and commuter rail planned by Georgia, *and* the projected growth in regional freight rail service. We must work together toward our common goal of making the most of a remarkable resource – the old rail line – to relieve regional congestion and enhance the regional economy.

High-speed rail has already proven to be an economic engine for development throughout the Northeast Corridor. Indeed, for many of the cities Amtrak serves in the Northeast, the focus for commercial development – new hotels, convention centers, offices, retail centers--is around the train station. That's because the road system is already at capacity and simply can't deliver more people to the city center. Only trains can bring in the additional workers and customers.

Examples of commercial development in the Northeast Corridor include:

- Boston where nearly \$2 billion in commercial development is planned around South Station due to high speed rail and MBTA commuter service;
- Providence where a major shopping mall was built adjacent to the station and a convention center was also built near the station;
- New London where Pfizer world headquarters and major city redevelopment projects are adjacent to the station;
- And Philadelphia, Wilmington and Baltimore, all of which have major hotels, conference centers and office buildings built adjacent to their train stations, in order to benefit from the commercial opportunities.

But, of course, high-speed rail isn't just for the Northeast. Nowhere are the potential benefits of high-speed rail greater than here in the Southeast. Amtrak can and will help this entire region make the most of its rail resources. We are ready to initiate, in association with the State Department of Transportation and the Georgia Passenger Rail Authority, the planned study for a new Atlanta-Macon-Jessup-Jacksonville service. We are also working with Georgia on the Atlanta capacity study and planning for the new multi-modal passenger station in Atlanta.

As you know, thanks to Senator Cleland and other members of the Georgia delegation, in the new FY 2001 transportation appropriations bill, \$200,000 was provided to the Federal Railroad Administration to extend the Boston-Washington-Richmond-Charlotte transportation plan south to Atlanta and Macon. This has led to a remarkable planning process, bringing together the freight railroads, the federal

and state governments, and Amtrak to jointly develop a high-speed rail plan that can accommodate passenger and freight rail growth. We look forward to working with South Carolina, Georgia, CSX, Norfolk Southern and the FRA on this important study, and we thank Senator Cleland for his efforts to secure this funding.

Amtrak has considerable experience in partnering with states to develop high-speed rail. We are working closely with Virginia and North Carolina on the upgrade of the Charlotte-Richmond-Washington segment of the Southeast High Speed Rail Corridor and expect to jointly fund the acquisition of new trains that will be used on the Southeast Corridor. In Pennsylvania and New York, we have partnered with the states on funding the upgrades necessary to implement new high-speed service. And in Washington State, Amtrak, the freight railroad and the State have partnered to upgrade the rail line and procure new trains to significantly reduce travel time and increase ridership.

Amtrak is also experienced in partnering with communities to help address local needs and concerns. For example, we established TEMPO – the Texas Eagle Marketing Performance Organization – as a partnership between Amtrak and local communities served by our *Texas Eagle* train. It involves local businesses, chambers of commerce, sports and entertainment franchises and venues, travel agencies, mayors and every other segment of the business community. TEMPO is responsible for many successful marketing efforts to support the *Texas Eagle*, and also plays a role in promoting station improvements along the route. The Crescent Coalition is another example of a successful partnership between Amtrak and local communities – this one focused around Amtrak's *Crescent* service. These efforts are being duplicated around the country and we would promote such a partnership down here.

I should also mention to the distinguished members of this Committee that Amtrak is in the process of procuring new 110 mph tilting non-electric high-speed trains for use on corridors in the Midwest. These trains, the costs of which are being shared with our Midwest state partners, would be ideal for use in Georgia and the Southeast High Speed Rail Corridor. We very much look forward to working with the state on an equipment strategy and plan.

Mr. Chairman with all due respect, this country has reached a crossroads with respect to transportation policy. As the saying goes, it's time to "put up or shut up." We can either go on pretending that the chaos that's engulfing our highways and airports will somehow magically disappear, or we can resolve to do something about it. And doing something means investing in passenger rail.

There are two reasons why solving America's transportation crisis requires a substantial investment in passenger rail. First, there's the cost issue. As I'm sure everyone on your Committee knows, the costs of building new highways and airports are climbing way up; the costs of adding to our rail capacity are falling way down. As the marginal cost of highway and airport construction rises, while the marginal cost of increasing our passenger rail capacity falls, rail becomes cost-effective relative to other transportation modes. In plain English, you get more "bang for your buck" by investing your transportation dollar in passenger rail than by investing that same dollar in new highway or airport construction.

Second, there's the *balance* issue. Our national transportation system might be compared to a three-legged stool. For the stool to be balanced, all three legs – highways, airports and rail – must be strong and sturdy. But if you remove the rail leg and try to balance the transportation stool on highways and airports alone, the whole structure will wobble and totter and – eventually – collapse altogether.

That's what we're facing today – a transportation system that's wobbling and tottering and in danger of total collapse. We're investing more than \$40 billion a year in our highways annually – and I support that investment. We're investing more than \$14 billion in our aviation system annually– and I support that investment as well. Yet, we only invested about \$500 million last year in our passenger rail system. This shockingly low level of investment not only places the future of passenger rail in doubt; it jeopardizes the viability of our entire transportation system. Because, to repeat, ours needs to be a balanced system. If you remove passenger rail from the balance, the other parts of the system just don't work right. But if you've got a strong railroad system that takes some of the pressure off of our highways and airports, then you enable *them* to fulfill their potential, as well.

To restore balance to our national transportation system, and to turn the corner into the new century with a modern passenger rail system made up of high speed corridors linked together by longer distance train service, this country must stand up and make a commitment to invest in rail. None of the terrific projects here in the Southeast Corridor that I have mentioned today will be realized unless the federal government puts rail on the list with highways and airports for capital investment funding. As you well know, Congress still has before it this year an opportunity to enact the High Speed Rail Investment Act, which would provide \$10 billion in bond authority for Amtrak to partner with states in developing high-speed corridors. I appreciate your leadership, Senator Cleland, in pushing this critical legislation so hard, and I want to reiterate to you, in the strongest possible terms, the need to see this legislation enacted this year.

In conclusion, I would just like to once again thank you, Senator Cleland, as well as Governor Barnes, Secretary Slater, and the many others here for their strong, unambiguous support for Amtrak and high-speed rail. You have all been leaders in this effort and I am convinced that the future of high-speed rail in the Southeast depends on its successful implementation here in Georgia. That is why Amtrak is so very proud to be a partner with Georgia in a common effort to improve the quality of life for the people of Georgia and the entire Southeast.